



DALLAS/FORT WORTH  
INTERNATIONAL AIRPORT

Written Statement of

Kevin E. Cox  
Chief Operating Officer  
Dallas/Fort Worth International Airport

Before the  
Subcommittee on Aviation  
Committee on Transportation and Infrastructure  
United States House of Representatives

Reforming the  
Wright Amendment

July 12, 2006

On behalf of the Dallas/Fort Worth International Airport Board, I want to thank you for the opportunity to testify today on reforming Section 29 of the International Air Transportation Competition Act of 1979, now more commonly known as the "Love Field Amendment" or the "Wright Amendment."

Over the last year, the relevancy of the Wright Amendment has been hotly debated in the halls of Congress, in the chambers of city councils, and in the living rooms of individual homeowners. Each side has waged a political and public relations campaign designed to convince, influence, and ultimately win this high stakes battle. Unlike most campaigns which inevitably end in a winner and a loser, we stand before this Subcommittee today united behind a single proposal hammered out through intense and delicate negotiations between the City of Dallas, the City of Fort Worth and DFW International Airport. Ultimately, this proposal also garnered the support of both American Airlines and Southwest Airlines. This remarkable feat of diplomacy culminated in a joint statement that was executed on June 15, 2006, followed by a binding contract that became effective just yesterday, July 11, 2006.

After decades of fierce legislative, legal, and political battles, these five parties now stand united behind a common solution, embodied in a binding contract, awaiting Congressional approval. We are here today to respectfully ask for this Subcommittee's approval and endorsement of this locally formulated solution.

#### Historical Rivalry for Commercial Air Service

To understand the genesis, complexities, and the importance of this legislative proposal, it requires a thorough understanding of how and why Dallas/Fort Worth International Airport was originally constructed. For many years, the cities of Dallas and Fort Worth were engaged in an intense and counterproductive rivalry for the business of commercial aviation and commercial air carriers. While the City of Dallas was enlarging and improving Love Field, the City of Fort Worth constructed Greater Southwest International Airport (GSIA). To the dismay of many, Love Field and GSIA lay a mere twelve miles apart.

Recognizing this inefficiency, the federal government's Civil Aeronautics Board (CAB) instituted in August 1962, an investigation known as the Dallas/Fort Worth, Texas Regional Airport Investigation - docket number 13959. This investigation focused solely on the issue of whether a single airport should be designated to handle all interstate air carrier service into and out of Dallas and Fort Worth. After numerous hearings, the CAB in 1964 entered an interim order giving the two cities a period of 180 days to arrive at a voluntary agreement to designate the single airport through which the CAB regulated carriers would service the Dallas/Fort Worth area. In this order, the CAB went on to indicate that if the parties were unable to agree on a single airport to serve the area, then the CAB would have no choice but to make the determination for the two cities.

#### DFW Airport's Founding Documents

Given this impending designation, the Cities of Dallas and Fort Worth agreed to set aside their differences and united to design, finance, and construct a new regional airport. This airport was to be located mid-way between the Cities of Dallas and Fort Worth. After years of work, the City of Dallas and the City of Fort Worth finally entered into a Contract and Agreement on April 15, 1968, defining the power and duties of the Dallas/Fort Worth Regional Airport Board, creating the joint airport fund of the cities, and providing for the construction and operation of the Dallas/Fort Worth Regional Airport (later renamed the "Dallas/Fort Worth International Airport").

On November 2, 1968, the City of Dallas and the City of Fort Worth adopted by agreement the 1968 Regional Airport Concurrent Bond Ordinance. This bond ordinance served then, as it does today, as the vehicle upon which all revenue bonds are issued. Section 9.5(A) of the bond ordinance provides, in pertinent part, that the Cities of Dallas and Fort Worth "hereby covenant and agree that from and after the effective date of this Ordinance, shall take such steps as may be necessary, appropriate and legally permissible... to provide for the orderly, efficient and effective phase-out at Love Field, Red Bird, GSIA and Meacham Field, of any and all Certificated Air Carrier Services, and to transfer such activity to the Regional Airport effective upon the beginning of operations at the Regional Airport."

Section 9.5(B) goes on to provide, in pertinent part, that the Owner Cities further agree that they will “promote the optimum development of the lands and Facilities comprising the Regional Airport...” and “...neither the Cities nor the Board will undertake with regard to the Regional Airport, Love Field, GSIA, Meacham Field or Red Bird, any action, implement any policy, or enter into any agreement or contract which by its or their nature would be competitive with or in opposition to the optimum development of the Regional Airport.” Finally, section 9.5(B) provides that “...none of the airports of the Cities shall be put to or developed for any use which by the nature thereof the optimum use and development of the Regional Airport, including its air and land space, at the earliest practicable date will be impaired, diminished, reduced or destroyed.”

With the creation of the Regional Airport Board and a long-term funding mechanism in place, the Dallas/Fort Worth Regional Airport Board entered into a Use Agreement on January 1, 1974, with those commercial air carriers serving the Dallas/Fort Worth region. Every carrier serving the North Texas region executed the Use Agreement except for Southwest Airlines, which was at the time an *intrastate* carrier only, regulated by the Texas Aeronautics Commission. In addition to defining the duties and obligations of both the Airport Board and the signatory airlines in the operation of the airport, the signatory airlines agreed under the Use Agreement that they would “conduct [their] Certificated Air Carrier Services serving the Dallas/Fort Worth area to, from, and at the [DFW] Airport, to the extent required by the terms of the 1968 Regional Airport Concurrent Bond Ordinance.” In layman’s terms, the signatory carriers were contractually prohibited, at the time, from operating out of any other airport in North Texas, except DFW Airport.

#### Southwest Wins Right to Remain at Love Field for “Intrastate” Service

Consistent with both the Bond Covenants and the Use Agreement, the City of Dallas and the City of Fort Worth proceeded to provide for the phase-out of all Certificated Air Carrier Services at their respective designated airports. Despite these efforts, including a series of lawsuits, Southwest Airlines eventually won the right to operate intrastate service out of Love Field because, the Court concluded, that purely “intrastate service” did not fall within the definition of “Certificated Air Carrier Services” under the Use Agreement and the Bond Ordinance.

In keeping with this ruling, only intrastate service was permitted into and out of Dallas Love Field from 1973 to 1978. Then in 1978, the U.S. Congress changed the regulatory scheme of civil aviation when it enacted the Airline Deregulation Act. Prior to the complete elimination of these regulatory controls, and over the objections of the City of Dallas, the City of Fort Worth, the Dallas Chamber of Commerce, the Fort Worth Chamber of Commerce, the North Texas Commission, and DFW Airport, Southwest Airlines sought and received a certificate of authority from the Civil Aeronautics Board to provide non-stop *interstate* service effective September 1979 from Dallas Love Field to New Orleans. This authority came as a part of Southwest Airlines' Automatic Market Entry Investigation (CAB order 79-9-192), wherein the CAB concluded that it had no discretion to deny Southwest Airlines' request.

#### Congressional Intervention

Concerned that such a route would undermine the 1968 Agreement and the 1968 Bond Covenants, the Cities of Dallas and Fort Worth determined that the public interest in aviation was best served by requiring all regularly scheduled *interstate* commercial flights, except air taxi flights, to serve the Dallas/Fort Worth Regional Airport. This is embodied in the Dallas City Council resolution dated November 7, 1979, wherein the City of Dallas expressed "its support for Federal Legislation which would make it clear that the City of Dallas and the Dallas-Fort Worth Regional Airport Board have authority to provide that all regularly scheduled commercial flights in interstate commerce shall be conducted into and from Dallas-Fort Worth Regional Airport, unless otherwise authorized by the City and the Board." Similarly, the City of Fort Worth expressed strong support for federal legislation "which encourages the provision of regularly scheduled interstate air service through the Dallas/Fort Worth Airport to the exclusion of other airports in the region," in a resolution adopted November 1, 1979.

In light of Southwest's intent to begin operation of interstate service from Love Field and in light of the City of Dallas and the City of Fort Worth's request for federal legislation, the U.S. House of Representatives passed legislation which would have prohibited a common carrier from operating any regularly scheduled interstate commercial passenger flights into or from any other airport within a 20 mile radius from Dallas/Fort Worth Regional Airport. The effect of this legislation was to ensure that

DFW Airport remained the only permissible airport for interstate traffic in the DFW area as originally contemplated by the federal government and as intended by the City of Dallas and the City of Fort Worth when they originally agreed to build, construct and operate DFW to the exclusion of all other airports. This provision was part of the House version of the International Air Transportation Act of 1979. The Senate, however, passed no comparable provision in its companion bill of the International Air Transportation Act of 1979.

Consequently, a legislative compromise was reached in the form of a conference substitute which specifically prohibited Love Field from being used for interstate air transportation of passengers unless it met one of three exceptions. The first exception permitted turn-around service between Love Field and points within the contiguous states of Louisiana, Arkansas, Oklahoma, New Mexico and Texas provided that the air carrier did not permit through servicing or ticketing and did not offer for sale of transportation service outside these states. The second exception permitted charter air transportation provided that these charters did not exceed 10 flights per month. Finally, the third exception permitted air transportation provided by commuter airlines operating aircraft with a passenger capacity of 56 passengers or less.

The Senate agreed to this Conference Report on January 31, 1980; while, the House agreed to the Conference Report on February 4, 1980. Subsequently, the International Air Transportation Act of 1979, and more particularly, Section 29 (more commonly known as the "Love Field Amendment" and/or "Wright Amendment") was enacted into law on February 15, 1980.

Since its enactment, the Wright Amendment has withstood many legal and legislative challenges. The Wright Amendment has, however, been altered on two separate occasions. In 1997, Congress added Alabama, Kansas, and Mississippi to the list of states that were eligible to be served non-stop from Love Field. This provision has become known as the "Shelby Amendment." Then just last year, Missouri was added to the list of permissible states with the enactment of the "Bond Amendment."

### Financial Challenge Facing DFW Airport

In 1997, after waiting for a final interpretation by the courts over the Shelby Amendment and assessing the implications it would have on service levels at DFW Airport, the Airport embarked upon an extensive capital development plan designed to improve and expand Dallas/Fort Worth International Airport. This \$2.7 billion Capital Development Plan was supported and authorized by the airlines, the DFW Airport Board, the City of Dallas, and the City of Fort Worth. After a series of unprecedented and unpredictable challenges including the terrorist attacks of September 11<sup>th</sup>, SARS, and the overall financial instability of the airline industry, this eight-year Capital Development Program came to a successful conclusion.

The program culminated with the opening of the new Skylink airport train, which opened to the public on May 21, 2005, and now connects all of the airport's terminals by rail. Shortly thereafter, International Terminal D was opened to the fanfare of the traveling public on July 23, 2005. These two projects, combined with other airfield and roadway improvements, increased the Dallas/Fort Worth International Airport Board's debt from \$676 million to \$3.8 billion, nearly a six-fold increase.

The airport judiciously pursued this long-term investment, completing the project on time and under budget in the face of these unprecedented challenges. Fortunately, DFW Airport was able to maintain a competitive cost structure well in line with other peer airports across the country. Although this increase in the airport's debt load was anticipated, no one expected nor could have predicted that on the heels of this investment, Delta Air Lines would abandon its hub at DFW, jet fuel prices would hit an all time high, and Southwest Airlines would call for repeal of the Wright Amendment.

### Delta Air Lines' Decision to Eliminate Its Hub

In 2004, Delta Air Lines began eliminating its hub at Dallas/Fort Worth International Airport as part of a larger restructuring of the airline. At the time, Delta Air Lines was DFW Airport's second largest carrier, with 566 flights to and from 72 non-stop destinations. By the end of February 2005, Delta Air Lines had eliminated 522 of these flights and reduced its service to just three destinations—Salt Lake City, Cincinnati, and Atlanta. With the elimination of its hub, Delta Air Lines' gate requirement fell from 28

gates it used to operate in Terminal E to just four. Some of these 28 gates have subsequently been re-leased; unfortunately, as of today, DFW Airport still has 15 gates that remain vacant and many other gates that are underutilized. In addition to these gates, DFW has a satellite facility in Terminal A that is unoccupied and capable of handling 7 narrow body aircraft or up to 13 regional jet aircraft. Obviously, DFW continues to have excess gate capacity.

#### Effort to Repeal the Wright Amendment

During the time that Delta Air Lines was in the process of eliminating its hub at DFW, Southwest Airlines formally changed its position on the Wright Amendment. On November 12, 2004, Southwest Airlines publicly announced its desire to have the Wright Amendment repealed in its entirety, a departure from its historic position of "passionate neutrality." This led to a flurry of grassroots campaigns, lobbying efforts, and legislative activities from parties on both sides of the issue. From DFW's perspective, an immediate and outright repeal was and is a direct threat to its financial stability having just completed a \$2.7 billion capital development plan and having just lost Delta Air Lines' hub. To determine the potential operational and financial impact of such a repeal, DFW International Airport commissioned a formal study.

#### Impacts of Repeal on DFW Airport Without a Gate Limit

The study was performed by the well respected aviation consulting firm of Simat, Helliesen & Eichner, Inc. (SH&E). Working under two different assumptions, the SH&E study focused upon the impacts to DFW Airport if the Wright Amendment were to be repealed. The first scenario assumed that the 2001 Love Field Master Plan remained in place to limit commercial passenger service to 32 gates. The second scenario assumed that Love Field had no gate cap whatsoever.

Given the projected growth at Love Field with the repeal of the Wright Amendment, SH&E concluded that DFW would lose a substantial amount of traffic under either of these two scenarios. In fact, SH&E predicted that DFW could lose as many as 408 daily flights, or 20 percent of DFW's current operations, and as many as 21 million passengers annually, representing a 35 percent decline from current levels.

With this substantial loss, DFW Airport passenger levels would decrease to levels seen 20 years ago, and it would take another 19 years for traffic just to recover to current levels.

In short, repealing the Wright Amendment, without a revision to Love Field's gate limit, would amount to a 39 year penalty for DFW International Airport. Obviously, the traveling community and businesses that have come to rely on DFW's economic vitality, and the airlines that moved to DFW in reliance upon the closure of Love Field would be adversely impacted. Equally traumatic would be the untold impact on the lives of the 268,500 men and women who have their jobs tied to DFW Airport.

Having recently added \$2.7 billion in new infrastructure, while facing the prospect of losing 21 million passengers, 408 daily flights, and a significant number of domestic and international destinations, DFW Airport would obviously be under severe financial stress at a time when it is least equipped to handle it. In fact, if the Wright Amendment were repealed and Love Field were permitted to grow beyond to the 32 gates originally contemplated in the 2001 Love Field Master Plan, then it is conservatively estimated that 35 gates would sit empty and unused. To put that in perspective, San Antonio International Airport has 28 gates in total, Austin-Bergstrom International Airport has 25 gates, Mineta San José International Airport has 32 gates, and Indianapolis International Airport has 35 gates. DFW would have vacant and idle the rough equivalent of the total number of gates at each of these airports.

Repealing the Wright Amendment, without a reduction in gates, would also have a dramatic impact upon DFW's cost structure. DFW's net cost per enplaned passenger in Fiscal Year 2006 is budgeted at \$8.32. If the Wright Amendment were to be repealed and Love Field was permitted to operate at its 32-gate capacity, DFW Airport's cost would be projected to increase 54 percent to \$12.81. If the Wright Amendment were to be repealed and Love Field traffic could grow uninhibited, it is estimated that DFW's net cost per enplaned passenger would increase 98 percent to \$16.47. Without question, this would have a dramatic impact upon DFW Airport's cost structure and its ability to attract new air service, creating a potentially irreversible downward spiral.

### Impacts of Unlimited Growth at Love Field

Another principal concern of opening Love Field to unlimited growth involves the impact to homeowners and business owners around Love Field. In 2001, the City of Dallas adopted a master plan which assumed that there would be no further changes to the Wright Amendment. The Love Field Master Plan also contemplated that any growth at Love Field would occur on regional jet aircraft not on mainline jet aircraft. It was precisely these two assumptions that led all parties, especially the residents around Love Field, to reach an agreement to support the Master Plan.

The SH&E study also attempted to quantify the impact to the communities and residents around Love Field. The SH&E Study estimated that an additional 312 aircraft operations would occur daily at Love Field assuming the 32-gate limit under the 2001 Love Field Master Plan. SH&E then took their analysis one step further and assumed that if the Love Field Master Plan gate limit is not a limiting factor, then Love Field could see an increase of as many as 484 flights a day. In a separate study commissioned by American Airlines, the Eclat Consulting firm came to a similar conclusion and estimated that Dallas Love Field could experience 251 additional daily flights if the Wright Amendment were repealed working under the assumptions outlined in the 2001 Love Field Master Plan.

With this explosion in service at Love Field, passengers were projected to increase by as many as 16 million passengers on an annualized basis, growing from 6.6 million to upwards of 22 million, representing a staggering 234 percent growth in terms of passengers. In contrast, the 2001 Love Master Plan only contemplated passenger growth at 14 percent between 2005 and 2020 because it assumed growth on regional jets and because it assumed the Wright Amendment would remain undisturbed.

Without question, such an impact would put a strain on existing facilities and roadway infrastructure. Repealing the Wright Amendment without altering Love Field's 32-gate limit would have a significant impact on noise, emissions, and the quality of life for those who live and work in and around Love Field. Obviously, this is not what the residents bargained for when they agreed to the 2001 Love Field Master Plan.

## Dallas Love Field Impact Analysis Update

A new study was commissioned in an effort to find a balance that would permit the repeal of the Wright Amendment, while at the same time ensuring the residents and businesses that live around Love Field are not exposed to any significant increase in noise, congestion or emissions beyond what was contemplated under the original Love Field Master Plan. This study, commissioned by the City of Dallas, was prepared by DMJM Aviation and released on May 31, 2006. The Study concluded that "...the overall impacts of operating 20 gates under a No Wright Amendment Scenario are the most comparable to the environmental thresholds agreed to and established in the 2001 Master Plan/Impact Analysis 32-Gate scenario with the Wright Amendment in place." In essence, the study confirmed that to honor the Master Plan agreed to by all interested parties, then Love Field should be operated at 20 gates if the Wright Amendment is to be repealed.

The study also confirmed significant impacts to noise, emissions, and traffic congestion around Love Field if the Wright Amendment is repealed and the 32-gate limit is not adjusted downward accordingly. As an example, the DMJM Aviation study concluded that with the repeal of the Wright Amendment and the current 32 gate limitation, 4350 additional people will fall within the DNL 65 dB noise contour than had been projected under the 2001 Love Master Plan. This is primarily due to the use of larger aircraft that will be flown if the Wright Amendment is repealed. These larger aircraft have a louder and larger noise footprint than the regional jets originally modeled under the 2001 Love Field Master Plan.

Similarly, the DMJM Aviation study concludes that repealing the Wright Amendment without making modifications to the 32-gate limitation will have significant consequences to the vehicle traffic in and around Love Field. Specifically, it is estimated that afternoon delays would be more than twice the morning levels and at five major intersections the level of service would be reduced to a service level of F as measured by the Highway Capacity Manual. Level F is the lowest level of service measured. In laymen's terms, several key intersections in and around Love Field become a virtual parking lot, resulting in utter gridlock during certain peak times of the day. It is also important to note that this service level F assumes that the recommended Master Plan improvements are actually made to the roadways.

From an air quality perspective, the DMJM Aviation study estimates that of the 7 pollutants measured, the level of air pollution is greater for each measured pollutant with repeal of the Wright, assuming no adjustments to the 32-gate limit. This is particularly important given that Dallas County is designated as a non-attainment area.

#### A Delicate Balance Has Been Struck

The Dallas Love Field Impact Analysis Update became the catalyst for the parties to work towards the solution which is being offered for this Committee's consideration today. Applying this information, the Mayor of Dallas and the Mayor of Fort Worth were able to fashion a local solution which ultimately was agreeable to all parties. The fundamental elements of the solution which require Congressional action involve the following:

- to immediately permit airlines serving Love Field to offer through ticketing between Love Field and any destinations through any point in Texas, New Mexico, Oklahoma, Kansas, Arkansas, Louisiana, Mississippi, Missouri, and Alabama, and to market through services;
- to continue to limit charter flights as originally contemplated under the Wright Amendment
- to continue to restrict Love Field to domestic operations;
- to codify the locally sanctioned and established gate limit of 20 gates at Love Field; and
- to eliminate all remaining restrictions on air service from Love Field after eight years from enactment of legislation.

Each element of this proposal is essential and interdependent. As an example, with a 20-gate limit at Love Field, the impacts from repealing the Wright Amendment are mitigated for those residents who live in and around Love Field. Similarly, the impacts on DFW International Airport are reduced with this 20-gate limit. Additionally, the consumer will immediately benefit from more flight options and more competition with through ticketing from Love Field to any destination. Finally, with 8 years to work on filling its unused gate capacity and to adjust to its new cost structure given the \$2.7 billion in new investment, DFW Airport and its tenant airlines can better prepare for the ultimate repeal of the Wright Amendment.

Obviously, each of these elements was fashioned after intense and delicate negotiations. The parties respectively and collectively urge Congress to enact these provisions in their entirety and without adjustment or amendment. In short, it is a carefully crafted solution which is dependent upon Congressional support.

#### Access into Love Field/Marketplace

Recently, a few parties have raised concerns that this local proposal limits access into Love Field and/or the marketplace. At the outset, it is important to note that Love Field has had excess gate capacity for several years. It is slightly ironic that only after press reports surfaced that a potential solution was in the works did any carrier express any public interest in gates at Love Field.

Regardless of the timing, the fact is that carriers have access into Love Field today and will tomorrow if this solution is ultimately enacted. As articulated in the Airline Competition Plan submitted by the City of Dallas for Love Field on July 31, 2001, "the operational Main Terminal gates at Love Field are all subject to scarce resource provisions that, when invoked, render those gates preferential use gates." Thus, the scarce resource provision in the lease allows the city of Dallas to require airlines to share gates that are not fully used.

The process for accommodating an airline seeking space involves three stages as outlined in the Love Field Airline Competition Plan. First, if the City of Dallas has space available to lease directly, it would do so. Second, in the absence of space available for direct lease, the City would refer the requesting airline to parties who are known to have gates or gate capacity available. Finally, if neither of these approaches proves fruitful and if necessary to force accommodation by an incumbent carrier, the scarce resource provisions of the lease permits the City to unilaterally require an airline to accommodate a requesting airline in its premises. In fact, the City of Dallas even offers its support to the requesting carrier to assist in the negotiation of reasonable sublease terms. To date, this process has been an unmitigated success as outlined in Love Field's Competition Plan, in that "there have been no cases in which an air carrier that was ready and willing to begin or expand service to Love Field has been unable to do so due to inability to secure reasonable access to needed facilities." Despite rhetoric to the

contrary, there is no viable reason to believe that this approach will not have similar success in the future.

In fact, the use of accommodation or secondary use provisions provides the only means for access into many other similarly situated airports across the country. Take for example, San Diego, Oakland, Las Vegas, Chicago—Midway, Fort Lauderdale, and Philadelphia airports which today have all of their gates leased or under permit. For any carrier to access gates at any of these airports, it requires the requesting carrier to seek accommodation from the incumbent carrier and/or the airport operator. Similarly, Santa Ana Airport is by agreement limited to 19 gates, to a certain number of flights, and to a certain number of passengers. For any carrier to have access to Santa Ana Airport today, it can only be accomplished through the county's capacity allocation program. Other severely constrained airports include New York LaGuardia and Washington National, both of which have severe slot and facility restrictions.

Last but not least is Long Beach Airport. At Long Beach, there is a strict noise ordinance that places severe limits on the number of flights that can operate from that airport. Currently, only 41 commercial departures are allowed under the ordinance. Ironically, JetBlue Airlines has the greatest allotment of departures from Long Beach with 22 of these 41 departures. Despite the fact that JetBlue benefits from its dominance at Long Beach operating within these severe capacity restrictions, it has somehow found the flexibility to argue that the less severe restrictions on Love Field are somehow inappropriate.

It is also critically important to understand that every carrier today has unimpeded access into Dallas/Fort Worth marketplace. The fact is that even if carriers could not access Love Field through the accommodation provisions, which to date, none of the objecting carriers have even applied; carriers can still access the marketplace by flying directly into DFW International Airport. As discussed earlier, Love Field and DFW Airport are a mere 8 miles apart. There is no question that these two airports serve the same marketplace.

As referenced earlier, DFW Airport has 15 gates that are currently available to be leased and many other gates that are currently underutilized. Moreover, DFW International Airport has one of the most aggressive Air Service Incentive Programs in the country. As an example, a carrier that is willing to offer new domestic air service to one of DFW's top 50 domestic markets is eligible to receive up to 6 months free landing fees, up to \$100,000 in marketing support, and an additional \$50,000 in marketing support if the carrier is new to DFW. To put that in perspective, if JetBlue Airways were to initiate service from John F. Kennedy Airport to DFW with just three daily flights, then the carrier would be eligible to receive \$479,000 in financial incentives. If JetBlue Airways were to fly 20 flights a day to five destinations as recently suggested in a local newspaper, then JetBlue would be eligible to receive \$2.9 million in financial incentives from DFW Airport.

The fact is that JetBlue Airways and every other airline can access the DFW marketplace today. JetBlue Airways, like 21 other passenger air carriers and 18 other cargo air carriers that currently serve DFW, can choose to fly into DFW Airport. In case there is any confusion, DFW Airport has diligently sought to bring JetBlue Airways to the marketplace and will continue to do so. Officials from DFW Airport have met with officials from JetBlue Airways 22 times since the airline's inaugural flight back on February 11, 2000. We have provided them with detailed presentations and numerous financial incentives all designed to convince them to enter DFW marketplace. In fact, a DFW official was on JetBlue's inaugural flight from JFK to Fort Lauderdale for the sole purpose of trying to convince JetBlue Airways officials to consider serving DFW International Airport. We are convinced that JetBlue Airways can and will be successful by flying into DFW International Airport. In doing so, the carrier will avail itself to one of the most aggressive air service incentive programs in the country. If JetBlue or any other carrier chooses not to, then that is their choice. However, that choice should not serve as a legitimate basis to object to the local solution that is being offered here today.

## Conclusion

Mr. Chairman, and members of the Committee, dating back to the early years of flight, the City of Dallas and the City of Fort Worth have been intense competitors as they jockeyed for air superiority in the region. At the direction of the federal government and with the financial assistance of Congress, the two parties came together to build one of the greatest airports in the world – DFW International Airport.

This spirit of cooperation between these two cities was severely tested over the years as Southwest Airlines fought to remain at Love Field. Again, with the assistance of Congress, a truce was established in the form of the Wright Amendment which has lasted over 25 years.

Today, Congress is confronted with competing legislation ranging from repealing the Wright Amendment immediately to permanently closing down Love Field to all commercial service. It was, the leadership on this Committee who challenged our community to develop a locally based solution.

Under the uncompromising leadership of our two mayors, we stand before you in an unprecedented show of support and solidarity, firmly behind a common solution. It is a delicately crafted solution, but an immensely workable one. We strongly urge you to take this local proposal and implement it in its entirety. On behalf of DFW International Airport, and the 265,000 men and women who have their jobs tied to the viability of our facility, I want to again thank you for the opportunity to testify before you today and I respectfully ask for your support.